



U.S. Department of Justice

*United States Attorney
Eastern District of Wisconsin*

517 East Wisconsin Avenue

414 / 297-1700

Milwaukee, WI 53202

TTY

414 / 297-1088

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News Summary:

On April 12, 2005, United States Attorney Steven M. Biskupic announced that Mahmood Fariduddin, Neenah, Wisconsin, was indicted by a federal Grand Jury on 4 counts of mail fraud and 2 counts of tax evasion for devising a scheme to fraudulently obtain \$384,000 from his former employer, Kimberly-Clark Corporation, and evading the federal taxes associated with this income by failing to report it on the tax returns he filed for the years 2001 and 2002.

If convicted, Fariduddin faces a maximum, possible penalty of up to 5 years in prison and a fine of up to \$250,000, on each count.

Fariduddin was previously employed by Kimberly-Clark in Neenah as a Senior Regulatory Affairs Associate. Kimberly-Clark's employment policies prohibited employees from acting as a consultant for or a supplier of goods or services to Kimberly-Clark. Despite these restrictions, Fariduddin set up a sham business using the name Regulatory Compliance Associate (RCA) to provide consulting services to Kimberly-Clark.

As part of the alleged scheme, Fariduddin recruited and paid an individual to pose as a representative of RCA and meet with representatives of Kimberly-Clark. Fariduddin also recruited a relative, who resided in Houston, Texas, to open a bank account in the name of RCA, which Fariduddin used to negotiate the checks Kimberly-Clark paid to RCA. Fariduddin used Kimberly-Clark's equipment and at least one other employee to assist him in providing the consulting services to Kimberly-Clark.

The indictment alleges that, as a result of his scheme, Fariduddin fraudulently obtained \$384,000 from Kimberly-Clark. By failing to report this income, Fariduddin evaded more than \$130,000 in federal taxes.

This case was investigated by the Criminal Investigation Division of the Internal Revenue Service and has been assigned to Assistant United States Attorney Matthew Jacobs for prosecution.

The public is cautioned that an indictment is merely the formal method of bringing charges and does not represent any evidence of an individual's guilt. An individual is presumed innocent until such time, if ever, the government establishes his or her guilt beyond a reasonable doubt.

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For more information contact:
Assistant United States Attorney Matthew Jacobs
Public Affairs Liaison Francia Wendelborn
414-297-1700